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714.00/2-1954

FOREIGN SERVICE DESPATCH

FROM : AMEMBASSY GUATEMALA — 720 DESP. NO. — XR 362 — XR 601.1614 XR 714.001

TO : THE DEPARTMENT OF STATE, WASHINGTON. — February 19, 1954 DATE

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5	ARA-4	INFO DC/R-2 OLI-6 EUR/X-1 UNA-4 IC-1 L-2 S/S-2 S/S-RN-1
	REC'D 2/28	OTHER CIA-7 OCB-1

SUBJECT: Views of Salvadoran Ambassador on Guatemalan Affairs.

For the Department's information, there is transmitted herewith the memorandum of a conversation which took place on February 18, 1954 between the Counselor of this Embassy and Colonel José Alberto FUNES, Salvadoran Ambassador in Guatemala, in which Colonel Funes expressed his surprise and shock at the close personal relations between President ARBENZ and Communist leaders, complained that the Guatemalan Government was issuing falsified documents to facilitate the travel of Salvadoran Communists, and said that the idea of holding a meeting of the Organization of Central American States (ODECA) before the Caracas Conference had had to be abandoned because of the opposition of President SOMOZA of Nicaragua.

FOR THE AMBASSADOR:

William L. Krieg
Counselor of Embassy

cc: San Salvador

Enclosure: Memorandum of Conversation, February 18, 1954

WLKrieg:rd
REPORTER

CONFIDENTIAL

ACTION COPY — DEPARTMENT OF STATE

The action office must return this permanent record copy to DC/R files with an endorsement of action taken.

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MEMORANDUM OF CONVERSATION

PARTICIPANTS: DATE: February 18, 1954

Colonel José Alberto FUNES, Ambassador of El Salvador;

William L. Krieg, Counselor of Embassy.

I called on Sr. Roberto TRIGUEROS, First Secretary of the Salvadoran Embassy this morning, and after some conversation he informed me that Ambassador Funes wished to talk with me. Shortly thereafter the Ambassador entered the room and sat down for a twenty-minute chat.

Ambassador Funes told me that he had been invited to a birthday party last night given by President ARBENZ in honor of Mrs. Arbenz' brother Sr. Antonio VILANOVA. Among the guests he had noted José Manuel FORTUNY, Secretary General of the Communist PGT, Víctor Manuel GUTIERREZ, Communist head of the CGTG, and Carlos Manuel PELLECER, Communist Deputy and labor leader. When Sr. Fortuny arrived Colonel Funes said President Arbenz had given him a more than usually hearty abrazo and that he stayed near the President most of the evening. The President's attitude toward Fortuny was one of extreme friendship.

When it came time for dinner, the President had invited Ambassador Funes to sit at the same table with him; it turned out that José Manuel Fortuny sat at the President's right and the Ambassador at his left. Several other Communists were also at the table, and the Ambassador remarked, "Imagine! There I was, an island in a Red sea!" He said the conversation had been rather painful, since everyone was engaged in avoiding touchy subjects; the only topics which were found suitable, he said, were the horse races, the dog races, the bull fights, etc.

After commenting on the obviously close relationship between President Arbenz and the Communist leaders, Colonel Funes said that he found it impossible to do business with the Guatemalan authorities. They usually agreed to anything he asked, but then did not do what they said they would. He spoke bitterly of the irresponsibility of Guatemalan officials and the assistance which they gave to Salvadoran Communist exiles here. As an example of irresponsibility, he mentioned that one woman whom he and Sr. Trigueros both knew to be a Cuban had come in and presented a Guatemalan passport for a Salvadoran visa. Trigueros had inquired when she had been naturalized and she replied that she had not been but that she had asked for a Guatemalan passport and got it.

A more serious matter was the practice of the authorities in giving Salvadoran Communists border crossing cards valid for

48 hours which showed their birthplace as being in Guatemala. He said that the frontier authorities had confiscated a large number of these cards. I said that I hoped that Sr. CANESSA would take evidence of this with him to Caracas since concrete examples of Communist interference in other countries were highly desirable; everyone knew it existed, but it was difficult to obtain evidence. Ambassador Funes said that he was sure Sr. Canessa would go to Caracas well-documented.

Ambassador Funes said he was positive the Guatemalans used their diplomatic pouch to distribute Communist propaganda. He knew of instances where propaganda had appeared in El Salvador two days after it had been published in Guatemala, and he was sure it could have entered the country only via the diplomatic pouch.

I then asked Ambassador Funes if there was going to be an ODECA meeting prior to the Caracas Conference. He replied that Sr. Canessa had wished to hold such a meeting but that for unstated reasons President SOMOZA of Nicaragua had opposed it. He said that Sr. Canessa thought it likely that President Somoza was concerned regarding the political situation in Honduras where various groups were trying to force the Government to take an active stand on the Honduran-Nicaraguan boundary dispute. Canessa had thought that Somoza probably feared that the Hondurans would be forced to bring up this issue at an ODECA meeting and that he preferred to postpone the meeting until the situation in Honduras had calmed down somewhat.

In this connection, Colonel Funes commented that relations between El Salvador and Honduras were entirely satisfactory. He said that the Hondurans never interfered in Salvadoran affairs and that Salvador in turn never took part in Honduran affairs. He hoped that an agreement might be concluded for the construction of a highway through Honduras to link El Salvador with the Atlantic coast. The dependence of his country on Puerto Barrios as a port of entry was entirely unsatisfactory since it gave the Guatemalan Government an opportunity for interfering with Salvadoran commerce. He mentioned in this connection that for three months after the 1944 Revolution the use of Puerto Barrios had been denied to El Salvador and that this had caused serious difficulties for his country.

WLKrieg:rd